



volume 5, issue 5

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division of economic development & finance

commerce matters

Cirrus Design expands in Grand Forks

Cirrus Design, one of the world's leading manufacturers of light aircraft, recently announced it will expand operations in Grand Forks. The Duluth-based company will expand its plant by 140 percent, from the current 93,000 square feet to 160,000 square feet. This could add up to 350 jobs over the next few years, with an annual payroll of about \$16 million.

The state of North Dakota has committed \$7.5 million in loans and services from the Bank of North Dakota, a private lender, the North Dakota Development Fund and Job Service North Dakota for the expansion of Cirrus Design in Grand Forks. The state and local development package totals \$9.7 million, with a \$2.27 million loan from the city of Grand Forks' Growth Fund.

"This was a wonderful exercise in economic development done right, an amazingly efficient process," said Bill King, vice president of business administration for Cirrus Design Corp. "The Governor was instrumental in helping us pull together state and local resources to make the project happen. The North Dakota economic development model is like no other in the country – simple and straightforward." ●



Cirrus Design will nearly double the size of its North Dakota facility. (Photo courtesy www.cirrusdesign.com)

Challenge and change

For the past months, I've had the privilege to serve on the advisory committee for the Strengthening America's Communities Initiative as part of President Bush's FY 2006 Budget Request. We presented our findings to U.S. Secretary of Commerce Gutierrez on June 21 in Washington, D.C.



Linda Butts, Director
Economic Development &
Finance Division

Three clear themes emerged: Bringing Federal Policy into the 21st Century; Targeting Need and Responding to Opportunity; and Assuring Flexibility, Accountability and Results. In the 21st Century, America's communities will derive economic strength by acting regionally to compete globally. Innovation and entrepreneurship are the new engines for job creation, productivity, growth, economic prosperity and healthy communities. The following are some of the 20 recommendations our committee identified:

- Establish regional competitiveness as the overriding goal for federal economic and community development policy.
- Review all federal policies and regulations for their impacts on the sustainability and competitiveness of economic regions.
- Require long-term, innovation-based, regional economic and community development strategies as a prerequisite for follow-on federal assistance.
- Provide significant funding of technical assistance to regions for the formulation of innovation-based regional economic development strategies.
- Coordinate and consolidate workforce development programs with economic development initiatives to drive





innovation-based economic growth.

- Establish criteria for assistance eligibility and allocation of funds that include multiple measures of the relative strength or weakness of a region or community in the global economy, such as rate of new business formation, entrepreneurial activity, home ownership rates, venture capital investment, changes in assessed valuations, unemployment, underemployment, population loss, poverty rate, household income, and distress caused by migration patterns. (Results and progress would be monitored and reported based on improvements in the same measures.)
- Promote private-public partnerships for regional development that include educational and research institutions, national laboratories, labor organizations, private businesses, and government, which collaborate and co-invest as partners in regional competitiveness.

To download a complete copy of the report, visit www.commerce.gov/SACI ●

The Dakota MEP will move to a new location

The Dakota Manufacturers Extension Partnership (TD MEP) is a partner program of the North Dakota Department of Commerce that serves small- and medium-sized manufacturers in the Dakotas. Currently, there are five TD MEP staff in the DOC Bismarck offices and a critical need for more space. To meet this need, TD MEP will move off-site during August to the Northbrook Mall on North Washington Street in Bismarck. To contact the Dakota MEP office, call 701-328-7259 or sheilal@ndmep.com ●

Fall event schedule outlined

The Economic Development & Finance Division of the North Dakota Department of Commerce recently confirmed its fall schedule of out-of-state economic development activities. They include:



Mark Draeb (speaking) was the keynote speaker for last year's business reception in Denver. Draeb attended the 2002 North Dakota Business Gathering in Denver where he met several local and state economic development leaders that assisted him in locating his company, Grizella Corp., in Hebron, ND.

September

- 24 North Dakota Business Gathering & Showcase
San Jose, CA
- 26-28 International Economic Development Council
Annual Conference, Chicago, IL

October

- 8-12 Industrial Asset Management Council
Professional Forum, Corpus Christi, TX
- 19-21 State Science and Technology Institute (SSTI)
Annual Conference, Atlanta, GA
- 23-26 CoreNet Global Summit, Las Vegas, NV

November

- 19 North Dakota Business Gathering & Showcase
Denver, CO

December

- 6-8 Power Gen Show, Las Vegas, NV

For more information on these out-of-state economic development activities and North Dakota's role at each, contact Tracy Finneman at 701-328-5352 or tfinneman@state.nd.us ●

Development Fund approves 15 projects

From April 1, 2005, to June 30, 2005, the North Dakota Development Fund approved 15 projects in 11 communities for a total of \$1,266,840. The Development Fund is a program of the North Dakota Department of Commerce that provides



gap financing for primary sector business projects. The most recently funded projects include:

- Vtrenz, Inc. (Fargo),
- Sheyenne Valley Marketing, LLC (Maddock),
- AWM Staffing, Inc. (Hazen),
- Prairie Packing, Inc. (Williston),
- Erickson's Meat Market, Inc. (Bowman),
- Weather Modification, Inc. (Fargo),
- Central Dakota Beef, LLC (Harvey),
- Earth Harvest Mills, Inc. (Harvey),
- SEO Precision, Inc. (Crosby),
- West Dakota Feed & Seed, LLC (Ross),
- Gregory Banger d/b/a L&C Jet Boat Excursions (Williston),
- Custom Cruiser's, Inc. (West Fargo),
- Kidco Farms Processing, Inc. (Steele),
- Northwest Professional Color, Inc. (West Fargo), and
- Pugsley's Premium, LLC (Devils Lake).

For more information about the Development Fund, contact Dean Reese at 701-328-5334 or dreese@state.nd.us ●

National and international journalists visit state

June 28-30 marked the first 2005 Commerce media tour of North Dakota companies and communities. The North Dakota Department of Commerce, along with local economic developers and campus representatives, hosted writers from *Economic Daily of Asia*, three Swiss publications and a freelancer for a variety of top-tier and trade publications. The journalists visited companies in Jamestown, Fargo and Grand Forks, as well as UND and NDSU. Since the inception of the Commerce media relations program, we have hosted 25 journalists in the state who have written 20 positive stories with an advertising equivalency of \$267,946.



In addition, North Dakota spokespeople have provided information for another 31 positive stories that have been written about North Dakota's business climate. Since we launched the media relations program in early 2003, the advertising equivalency of the stories we've placed is nearly \$600,000! ●



Gaylon Baker, Stark Development Corporation, Dickinson, talks about his experiences in economic development after receiving the 2004 Governor's Choice Award for Professional Developer of the Year.

Nominate the BEST for Governor's Choice Award

Do you know of a project or a person who emulates successful economic development in North Dakota? Nominate them for a Governor's Choice for Economic Development award. Categories include Volunteer Developer of the Year, Professional Developer of the Year, Project of the Year and Ambassador of the Year. The fourth annual banquet will be held in conjunction with the fall/winter meeting of the Economic Development Association of North Dakota on Nov. 9 at the International Inn, Minot. The application deadline is Friday, Sept. 30, 2005. Applications are available at www.growingnd.com by clicking on the Governor's Choice Awards teaser. ●

APUC approves nine projects totaling \$328,775

The North Dakota Agricultural Products Utilization Commission (APUC) approved \$328,775 in funding to nine agricultural projects at its quarterly meeting July 21, 2005, in Walhalla. The



projects include the following:

- Enander Seed Farm, Grenora,
- Erickson Meat Markets, Inc., Bowman,
- Schiltz Foods, Inc., Sisseton, SD,
- Dacotah Woolen Mills, Hazelton,
- Skandia Mills, Valley City,
- North Dakota Department of Agriculture, Bismarck,
- Pedigree Technologies, Fargo,
- Superior Grains, Crosby, and
- Midwest Liaison, Hilo, HI.

APUC's next grant hearing is set for Nov. 15-16, 2005, in Minot. Applications must be received by Oct. 1, 2005. For more information on APUC, contact John Schneider at jfschneider@state.nd.us or 701-328-5350. ●

SBDCs release 2004 annual report

State Director Christine Martin-Goldsmith said it best, "The North Dakota Small Business Development Centers have so much potential!" Just take a look at some of the program's accomplishments:

- Helped clients start or expand 217 businesses;
- Helped clients create 768 jobs;
- Helped clients invest over \$43.4 million in North Dakota communities;
- Partnered with over 60 stakeholders;
- Introduced Trickle Up grants for the start up of micro and small businesses in three pilot sites; and
- Expanded to 11 sites across the state to meet client demand.

Since 2002, the SBDC has shifted from a personnel structure of solely UND employees to partnerships with other agencies to provide SBDC services. Today, there are 11 centers in the SBDC system, including three other higher education institutions. The SBDCs in North Dakota are a partner program of the North Dakota Department of Commerce. For more information on the Small Business Development Centers in North Dakota, contact

Christine at 701-328-5375 or Christine.martin@und.nodak.edu ●

Dickinson CVB launches new web site

The Dickinson Convention & Visitors Bureau has launched a new web site at www.dickinsoncvb.com. The site provides information on the city of Dickinson while also including specific tourism information on the surrounding communities of southwest North Dakota. Visitors have access into the various attractions, events and meeting planning that Dickinson and southwest North Dakota offers. Complete with coupons, maps and an e-postcard, the site is visually pleasing and easy to navigate. ●

EDND plans fall event Nov. 9-10

Mark your calendars now for the fall meeting of the Economic Development Association of North Dakota – Nov. 9-10 at the International Inn, Minot. In addition, the Governor's Choice for Economic Development Awards Banquet will be held in conjunction with the EDND meeting. More information will be available in September. ●



North Dakota in the News

- *Aircraft Maintenance*, March 2005 (Killdeer Mountain Manufacturing)
- *Business Xpansion Journal*, May 1, 2005 (UND Center for Innovation)
- *St. Paul Pioneer Press*, May 15, 2005 (NDSU research capabilities)
- *Manufacturing Business Technology*, June 2005 (nearshore opportunities in rural states)
- *Foreign Direct Investment*, June/July 2005 (UND Aerospace)
- *Financial Times*, May 26 and 27, 2005 (two stories on Department of Defense and RFID work at NDSU) ●